**Weekly information on banking operations (June 27 – July 1st, 2016)**

**1. Mobilizing and lending rates:**

**1.1. Mobilizing rates:**

- The VND mobilizing rates were relatively stable. The rates were commonly 0.8 - 1% p.a for demand and below 1 month terms, 4.5 - 5.4% p.a for 1 to below 6 month terms, 5.4 - 6.5% p.a for 6 month to below 12 month terms; and 6.4 – 7.2% p.a for 12 month plus terms.

- The USD mobilizing rates: The USD mobilizing rates were commonly 0% p.a for individuals and economic institutions**.**

**1.2. Lending rates:**

- The VND lending rates: The average rates were commonly 6-7% p.a for short-term loans for priority fields, and state-owned commercial banks continued offering the rates of 9 – 10% p.a for medium and long-term loans for priority fields. The rates were commonly 6.8% - 9.0% p.a for short-term and 9.3% – 11.0% p.a for medium and long-term ordinary loans. The lending rate was 5-6% p.a applied to those customers who have good loan repayment track record, strong and transparent finance.

- The USD lending rates were relatively stable. The USD lending rates were commonly 2.8% – 6.2% p.a. The rates were 2.8 – 5.2% p.a for short term and 5.1 – 6.2% p.a for medium and long term loans.

The specific lending rates were as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Groups of commercial banks | Currency | Short term  (% p.a) | Medium and long terms  (% p.a) |
| Group of state-owned commercial banks | - VND applicable to ordinary loans | 6.8-8.5 | 9.3-10.3 |
| - VND applicable to loans for agricultural and rural development, exporters,supporting industries, SMEs and hi-tech enterprises | 6.0-7.0 | 9.0-10.0 |
|  | USD | 2.8-4.5 | 5.1-6.2 |
| Group of joint stock commercial  banks | - VND applicable to ordinary loans | 7.8-9.0 | 10.0-11.0 |
| - VND applicable to loans for agricultural and rural development, exporters, supporting industries, SMEs and hi-tech enterprises | 7.0 | 10.0-10.5 |
|  | USD | 4.5-5.2 | 5.4-6.2 |

**2. Inter-bank transaction turnover:**

**2.1. Transactions:**

According to the reports of credit institutions and foreign bank branches, the total amount of transactions in the inter-bank market reached about VND 138,260 billion (increased by VND 19,430 billion) and USD amount equivalent to VND 54,894 billion (down by VND 11,101 billion) as compared to the week of June 6 - 10, i.e VND 27,652 billion and VND 10,979 billion per day averagely.

Most VND transactions were overnight and 1 week terms (accounting 34% and 29% of the total amount of VND transactions respectively). Transactions in USD were mostly overnight and 1 week terms which accounted for 48% and 29% of the total amount of USD transactions respectively.

**2.2. The average inter-bank interest rates:**

For  VND transactions: As compared to the week of June 20-24, 2016, the inter-bank interest rates decreased for one month term (the rate was 2.46% p.a), and increased for most key terms below one month. Specifically, the rate for overnight, 1 week and 2 week terms went up to 1.31%, 1.63% and 1.99% p.a respectively.

For USD transactions: The average inter – bank interest rates of overnight and one month terms increased to 0.5% p.a and 0.78% p.a respectively while the rates of 1 week term reduced to 0.46% p.a as compared to the previous week.

The specific average inter-bank interest rates were as follows for June 13 - 17, 2016 :

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Term | Over night | 1 week | 2 weeks | 1 month | 3 months | 6 months | 9 months |
| VND | 1.31 | 1.63 | 1.99 | 2.46 | 4.10 | 4.66 | - |
| USD | 0.50 | 0.46 | 0.59 | 0.78 | 0.93 | 1.27 | - |

**3. Forex market:**

At the end of first day of the week, the buying and selling VND/USD exchange rate quoted by the Vietcombank was at VND/USD 22.290/22.360, then went down and stood at VND/USD 22.270/22.340 in the last day of week (reduced by VND/USD 25 in the both buying and selling prices.

The SBV will continue to conduct consistent measures and tools of monetary policy to stabilize forex market and foreign exchange rate.

The State Bank of Vietnam

Translated by VMH